

1 ROGER A. BERGMANN  
2 STATE BAR NO. 733  
3 A PROFESSIONAL CORPORATION  
4 4947 W. LAKERIDGE TERRACE LANE  
5 RENO, NV 89509

6 UNITED STATES DISTRICT COURT  
7 FOR THE DISTRICT OF NEVADA

8 \*\*\*\*\*

9 THE UNITED STATES OF AMERICA,

10 Plaintiff,

11 vs.

IN EQUITY

3:73-cv-0003-MMD

12 ORR WATER DITCH COMPANY, et. al,

13 Defendant.  
14 \_\_\_\_\_/

15 AGREEMENT OF FUNDING PARTIES FOR APPROVAL OF  
16 TRUCKEE RIVER OPERATING AGREEMENT BUDGET FOR FISCAL YEAR  
17 OCTOBER 1, 2020 TO SEPTEMBER 30, 2021

18 Pursuant to Section 2.C.3 of the Truckee River Operating Agreement  
19 dated September 6, 2008 the required approval is needed of a majority of the  
20 three Funding Parties, to wit: The United States of America, the State of  
21 California and the State of Nevada.

22 The Federal Water Master, Chad Blanchard, the designated  
23 "Administrator," herein, submits to the Court, that the Court previously  
24 approved by Order signed March 25, 2020, the "tentative" budget for the  
25 fiscal year October 1, 2020 to September 30, 2021. This tentative budget has  
26 been updated and the Federal Water Master now submits this budget to the  
27 Court as his "proposed" budget for the fiscal year October 1, 2020 to  
28

September 30, 2021. This Agreement is signed by the required majority of the Funding Parties, and is attached hereto as Exhibit (A). The proposed budget is the sum of \$1,350,000.00, which sum will be paid from the Funding Parties per their previously agreed percentages as follows:

United States of America	\$ 540,000.00
State of Nevada	540,000.00
State of California	<u>270,000.00</u>
	\$1,350,000.00

The Federal Water Master is asking for the Court to approve this proposed budget.

The Federal Water Master, Chad Blanchard, also submits for approval by the Funding Parties, his proposed tentative budget for the Truckee River Operating Agreement for fiscal years October 1, 2021 to September 30, 2022, as Exhibit "B" attached hereto. The projected budget is the sum of \$1,425,000.00, which sum will be paid from the assessment of the Funding Parties per their previously agreed to percentages as follows:

United States of America	\$ 570,000.00
State of Nevada	570,000.00
State of California	<u>285,000.00</u>
	\$1,425,000.00

The Federal Water Master, Chad Blanchard, also submits for approval by the Funding Parties, his proposed tentative budget for the fiscal year October 1, 2022 to September 30, 2023, as Exhibit "C" attached hereto. The projected budget is the sum of \$1,500,000.00, which sum will be paid from the assessment of the Funding Parties as follows:

United States of America	\$ 600,000.00
State of Nevada	600,000.00
State of California	<u>300,000.00</u>
	\$1,500,000.00

1           These proposed tentative budgets are designed to give the Parties  
2       notice, and ample time to prepare for future budgets for the Truckee River  
3       Operating Agreement and the Water Master proposes to continuously  
4       provide two years of "tentative" budgets along with the "proposed" current  
5       budget. Signatures to this Agreement are not bound by these budgets, as  
6       costs and expenses may vary from year to year as circumstances may change,  
7       and actual budgets are submitted each year. Any and all surpluses of income  
8       over expenses shall be held in reserve by the Federal Water Master to be  
9       used for any budget short falls or unanticipated expenses.  
10


11           The Federal Water Master, Chad Blanchard, also submits to the  
12       Court for its approval the audited Financial Report for Administration of the  
13       Truckee River Operating Agreement filed for the fiscal year October 1, 2019  
14       to September 30, 2020.  
15

16           This Agreement may be executed in two or more counterparts  
17       (including by facsimile or by an electronic scan delivered by electronic mail),  
18       each of which shall be deemed an original, but all of which together shall be  
19       considered one and the same agreement, and shall become effective when  
20       counterparts have been signed by the majority of the Funding Parties hereto  
21       and delivered to the other Funding Parties, it being understood that the  
22       majority of the Funding Parties need not sign the same counterpart.  
23

24           By executing this document, the parties hereby give their approval  
25       of the Budget as submitted, and submit the same to the Court for its approval.  
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27  
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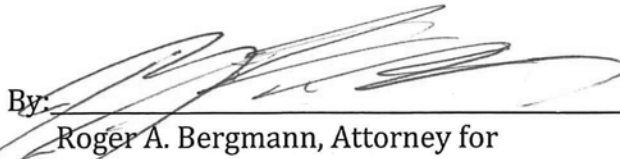
1  
2 DATED THIS 22 DAY OF December, 2020  
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4

5 **U.S. DISTRICT COURT WATER MASTER**  
6

7 By:   
8

9 CHAD BLANCHARD

10 **ROGER A. BERGMANN, A PROFESSIONAL CORPORATION**  
11

12  
13 By:   
14 Roger A. Bergmann, Attorney for  
15 U.S. District Court Water Master  
16

17 **UNITED STATE OF AMERICA**  
18

19 BY: \_\_\_\_\_  
20

21 Print Name \_\_\_\_\_  
22

23 Title: \_\_\_\_\_  
24

25 Date: \_\_\_\_\_  
26

27 **STATE OF NEVADA**  
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By: \_\_\_\_\_


Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

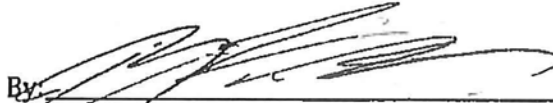
DATED THIS 22 DAY OF December, 2020.

**U.S. DISTRICT COURT WATER MASTER**

By: 

CHAD BLANCHARD

**ROGER A. BERGMANN, A PROFESSIONAL CORPORATION**

By: 

Roger A. Bergmann, Attorney for  
U.S. District Court Water Master

**UNITED STATE OF AMERICA**

BY: \_\_\_\_\_

Print Name \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**STATE OF NEVADA**

By:  P.E.

Print Name: ADAM SULLIVAN

Title: Acting State Engineer

Date: January 10<sup>th</sup>, 2021

1  
2 **STATE OF CALIFORNIA**

3 By:   
4 \_\_\_\_\_

5 Print Name: Juan Escobar

6 Title: Principal Engineer, WR

7 Date: 12/22/2020

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12 **APPROVED BY THIS COURT.**

13 DATE: February 10, 2021

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17 United States District Judge

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**Exhibit "A"**

In Equity 3:73-cv-0003-MDD  
 U.S. District Court - Chad J Blanchard, TROA Administrator  
 Truckee River Operating Agreement Administration

**Proposed Budget**

Statements of Revenues, Expenses and Retained Earnings  
 Fiscal Year ending September 30, 2021

**Budgeted Revenues**

Administrative Fees - United States	\$540,000
Administrative Fees - State of Nevada	\$540,000
Administrative Fees - State of California	<u>\$270,000</u>

<b>Total Budgeted Revenue</b>	<b>\$1,350,000</b>
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**Budgeted Expenses**

Computer Consulting, Software & Licensing	\$41,082
Depreciation	\$40,575
Habitat Restoration Fund	\$55,275
Hearing Officer	\$10,000
Payroll Taxes	\$37,601
Professional, Legal & Audit Fees	\$47,000
Rent, Telephone, Supplies & Overhead	\$107,677
RiverWare Modeling & Technical Consulting	\$290,000
Stream Gaging & Telemetry Data Retrieval	\$70,360
Travel & Conference	\$3,000
TROA Administration Staff & Benefits	<u>\$673,568</u>

<b>Total Budgeted Operating Expenses</b>	<b>\$1,376,138</b>
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<b>Budgeted Net Income (Loss)</b>	<b>-\$26,138</b>
Item Not Affecting Working Capital (Depreciation)	<u>40,575</u>

<b>Total Budgeted Working Capital Provided</b>	<b>\$14,437</b>
Working Capital Applied To Budgeted Equipment Acquisitions	<u>-7,500</u>

<b>Budgeted Increase (Decrease) in Working Capital</b>	<b>\$6,937</b>
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**Exhibit "B"**

In Equity 3:73-cv-0003-MDD  
 U.S. District Court - Chad J Blanchard, TROA Administrator  
 Truckee River Operating Agreement Administration

**Tentative Budget**  
**Statements of Revenues, Expenses and Retained Earnings**  
**Fiscal Year ending September 30, 2022**

**Budgeted Revenues**

Administrative Fees - United States	\$570,000
Administrative Fees - State of Nevada	\$570,000
Administrative Fees - State of California	<u>\$285,000</u>

**Total Budgeted Revenue****\$1,425,000****Budgeted Expenses**

Computer Consulting, Software & Licensing	\$43,136
Depreciation	\$42,604
Habitat Restoration Fund	\$56,657
Hearing Officer	\$10,500
Payroll Taxes	\$41,294
Professional, Legal & Audit Fees	\$50,100
Rent, Supplies & Overhead	\$113,061
RiverWare Modeling & Technical Consulting	\$300,000
Stream Gaging & Telemetry Data Retrieval	\$79,784
Travel & Conference	\$10,000
TROA Administration Staff & Benefits	<u>\$707,246</u>

**Total Budgeted Operating Expenses****\$1,454,382**

<b>Budgeted Net Income (Loss)</b>	<b>-\$29,382</b>
<b>Item Not Affecting Working Capital (Depreciation)</b>	<b><u>\$42,604</u></b>

<b>Total Budgeted Working Capital Provided</b>	<b>\$13,222</b>
<b>Working Capital Applied To Budgeted Equipment Acquisitions</b>	<b><u>-\$15,000</u></b>

**Budgeted Increase (Decrease) in Working Capital****-\$1,778**

**Exhibit "C"**

In Equity 3:73-cv-0003-MDD  
 U.S. District Court - Chad J Blanchard, TROA Administrator  
 Truckee River Operating Agreement Administration

**Tentative Budget**

**Statements of Revenues, Expenses and Retained Earnings**  
**Fiscal Year ending September 30, 2023**

**Budgeted Revenues**

Administrative Fees - United States	\$600,000
Administrative Fees - State of Nevada	\$600,000
Administrative Fees - State of California	<u>\$300,000</u>

**Total Budgeted Revenue****\$1,500,000****Budgeted Expenses**

Computer Consulting, Software & Licensing	\$45,293
Depreciation	\$44,734
Habitat Restoration Fund	\$58,073
Hearing Officer	\$11,025
Payroll Taxes	\$45,352
Professional, Legal & Audit Fees	\$53,430
Rent, Supplies & Overhead	\$118,714
RiverWare Modeling & Technical Consulting	\$300,000
Stream Gaging & Telemetry Data Retrieval	\$90,565
Travel & Conference	\$15,000
TROA Administration Staff & Benefits	<u>\$742,609</u>

**Total Budgeted Operating Expenses****\$1,524,796**

Budgeted Net Income (Loss)	-\$24,796
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Item Not Affecting Working Capital (Depreciation)	<u>\$44,734</u>
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Total Budgeted Working Capital Provided	\$19,939
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Working Capital Applied To Budgeted Equipment Acquisitions	<u>-\$15,000</u>
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**Budgeted Increase (Decrease) in Working Capital****\$4,939**